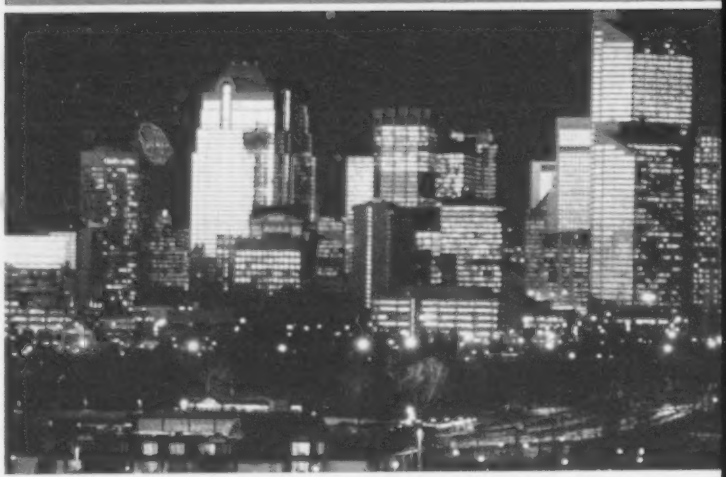


March 2012

Regional Economic Indicator

Northeast Region

Government of Alberta

NORTHEAST REGION

The Region at a Glance	Page 1
Major Municipalities	Page 2
Demographics	Page 3
Aboriginal Population	Page 5
Labour Force Characteristics	Page 7
Educational Attainment	Page 8
Employment Insurance Beneficiaries	Page 9
Employment by Industry	Page 10
Agriculture	Page 12
Energy	Page 13
Taxfiler Income	Page 14
Investment	Page 15
Establishments with Employees	Page 17
Inventory of Major Projects	Page 19
Accommodation & Hospitality	Page 20

The Region at a Glance

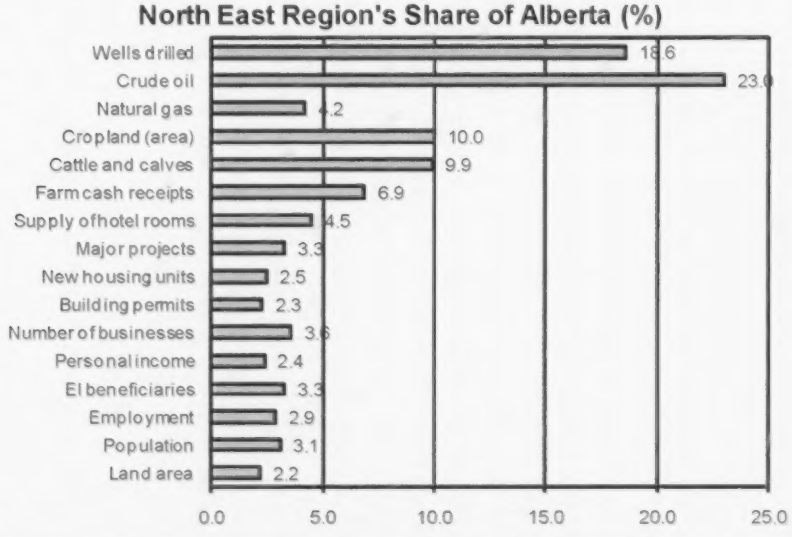
The North East region covers an area of 41,209 square kilometers, similar in size to the Netherlands. The region accounts for 6.4% of Alberta's land mass and for 3.1% of Alberta's population.

According to Statistics Canada's latest estimates, the region's population totaled 115,300 in 2010, an increase of 3.7% from 2006. The region's unemployment rate was 4.1% in 2010, down from 4.6% in 2009, and the number of employees was just over 60,000.

The region's largest industry on an employment basis is oil and gas (and forestry)[1], which together accounted for 16% of total employment in 2010, followed by retail trade at 12%. The construction, public administration, and health care and social assistance industries are also well represented in this region. The fastest growing industry between 2006 and 2010 was the oil and gas sector, which increased its employment level by about 1,600. Employment in the agricultural sector, which has been on a long and steady decline in the province, fell sharply over the same period.

According to personal income taxfiler data the average individual income was $34,400 in 2007, a large 46% increase from 2003. Average income for couples was $101,700 in 2007, a 50% rise from 2003.

North East Alberta is one of Alberta's top agricultural regions, accounting for about 10% of the province's cropland, livestock and number of farms in Census year 2006; its largest crops are canola and alfalfa. It is also the province's second largest crude oil producer, accounting for 23% of total Alberta oil production, because of its vast in-situ oil sands reserves, and the top region for drilling activity.



Although very few current indicators are available on a regional basis, it is clear that the impacts of the global economic crisis have also subsided in this region; for instance the number of Employment Insurance beneficiaries receiving regular benefits in the North East region fell by 4% between 2009 and 2010. Moreover, the number declined by 26% between June 2010 and June 2011.

---

[1] Forestry accounts for a relatively small number of employees; most employees are in the oil and gas sub-sector

Major Municipalities

The largest municipality in the Northeast Region, according to the 2006 Statistics Canada Census, was the City of Lloydminster (Alberta side only) with a population of 15,910[1]. Lloydminster was also the municipality in the Central Region with the highest population growth between 2001 and 2006, with an increase of 21.0% or 2,762 residents over that period. The municipal census of 2009 showed 17,402 residents in Lloydminster, a 12.4% increase from the 2005 municipal estimate[2]. High growth was also seen in the 2009 municipal census of Cold Lake, which counted 13,924 individuals, a 20.1% increase from the 2002 municipal census.

Breakdown of Population by Municipality: Northeast

Source: Statistics Canada Census 2006

Economic Indicators: Northeast Region

Major Municipalities *	Status	2006 Population	2001 Population	5 Year % Change	1996 Population	10 Year % Change
Lloydminster (Alberta side only)	City	15,910	13,148	21.0%	11,317	40.6%
Cold Lake	City	11,991	11,520	4.1%	12,645	-5.2%
Bonnyville No. 87, M.D.	Municipal District	10,194	9,473	7.6%	8,977	13.6%
Vermilion River No. 24, County	Municipal District	7,467	7,524	-0.8%	7,553	-1.1%
Lakeland County	Municipal District	6,365	5,306	20.0%	4,852	31.2%
St. Paul No. 19, County	Municipal District	5,925	6,140	-3.5%	6,335	-6.5%
Bonnyville	Town	5,832	5,709	2.2%	5,100	14.4%
Vegreville	Town	5,519	5,376	2.7%	5,337	3.4%
St. Paul	Town	5,106	5,061	0.9%	4,861	5.0%
Vermilion	Town	4,036	3,948	2.2%	3,744	7.8%

Source: Statistics Canada, Census 1996, 2001, 2006

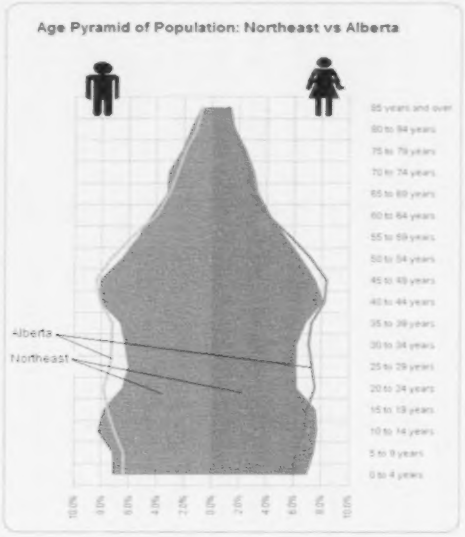
* Top 10 cities, towns, villages and municipal districts in region, based on population in latest census year

[1] Note: the Census under-estimates the overall population totals for any region or municipality as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household.

[2] Numerical differences between the federal and municipal censuses may be ascribed to slight variations in the definition of "usual residence," as well as how "shadow populations" are treated. While municipalities define the "shadow population" as "temporary residents of a municipality who are employed by an industrial or commercial establishment in the municipality for a minimum of 30 days" and include them in their official population numbers if they consist at least 10% of the municipality's population or a minimum of 1,000 individuals, the shadow population of transient workers is not accounted for in population counts conducted by Statistics Canada.

Demographics

According to the most recent Statistics Canada Census, the population of the Northeast Region was 103,702 in 2006 or 3.2% of Alberta's total population. This was a 4.8% increase from the Census estimate of 2001 and a 5.0% increase from the 1996 Census estimate. The Census indicates that, on average, the Northeast region's population is somewhat younger than the provincial average. This may prove to be a challenge for the smaller cohort in the current prime working age group, as they are increasingly required to sustain the larger cohort of the retiring age group through higher productivity levels.



Economic Indicators: Northeast Region			
	2006	**2001**	**1996**
Census Population[3]	103,702	98,941	98,735
% of Provincial Total	3.2%	3.3%	3.8%
Population Components	**2006**	**2001**	**1996**
Age Group: 0 – 14 (%)	22.2	23.0	25.5
Age Group: 14 – 24 (%)	14.2	13.9	N/A
Age Group: 25 – 44 (%)	27.4	29.8	N/A
Age Group: 45 – 64 (%)	24.2	20.9	N/A
Age Group: 65+ (%)	12.6	12.3	12.3
Dependency Ratio (%) [4]	53.3	56.6	60.7
Old Age Dependency Ratio (%) [5]	19.2	19.3	19.8
Source: Statistics Canada, Census 1996, 2001, 2006			

[3] See below paragraph about the under-coverage problems of Census population estimates

[4] Dependency Ratio: The percentage of the population below the age of 15(Child) and over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population of children and elderly that are dependent on the adult population for economic needs.

[5] Age Dependency Ration: The percentage of the population over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population that is dependent on the adult population for economic needs.

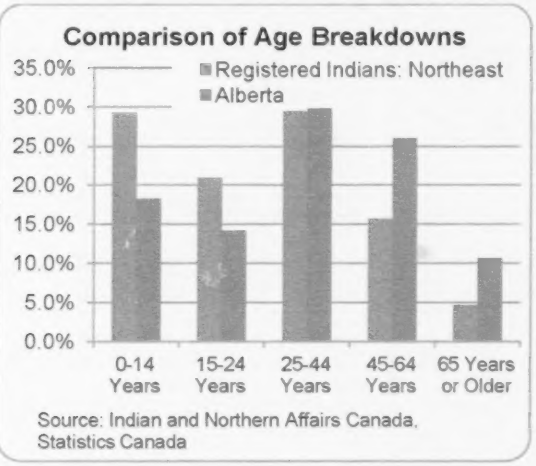
Although the Census provides the most detailed and accurate information at a single point in time on the demographic, social and economic conditions of the population, the Census under-estimates the overall population totals for any region as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household. Therefore, the below presented post-censal estimates should be used as the official population estimates for the region.

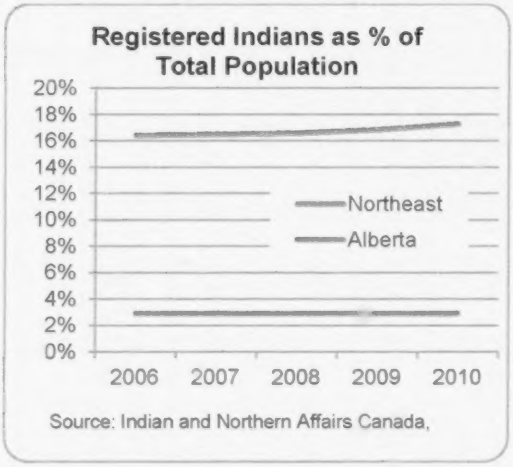
Population Estimates – Northeast Region					
	2010	**2009**	**2008**	**2007**	**2006**
Total Population (Thousands)	115.3	115.3	114.5	113.2	111.2
Share of Provincial Total (%)	3.1%	3.1%	3.2%	3.2%	3.3%
Source: Statistics Canada – estimates as of July 1 of each year					

According to the post-censal estimates, the region's population increased by 4,100 or 3.7% between 2006 and 2010, compared with 8.8% growth at the provincial level. The region's share of Alberta's population was stable at 3.1% in 2010.

Aboriginals

In 2010, bands in the Northeast Region had a population of 19,904 Registered Indians, 61.7% of whom lived on reserve and crown land. [1] This represents an 11.5% increase in registered population over five years. Registered Indians comprised 17.3% of the Northeast Region's total population in 2010, compared with 2.9% for the province as a whole. Registered Indians in the Northeast Region are significantly younger than the average Albertan; 29% are under the age of 15 (versus 18% of the provincial population).



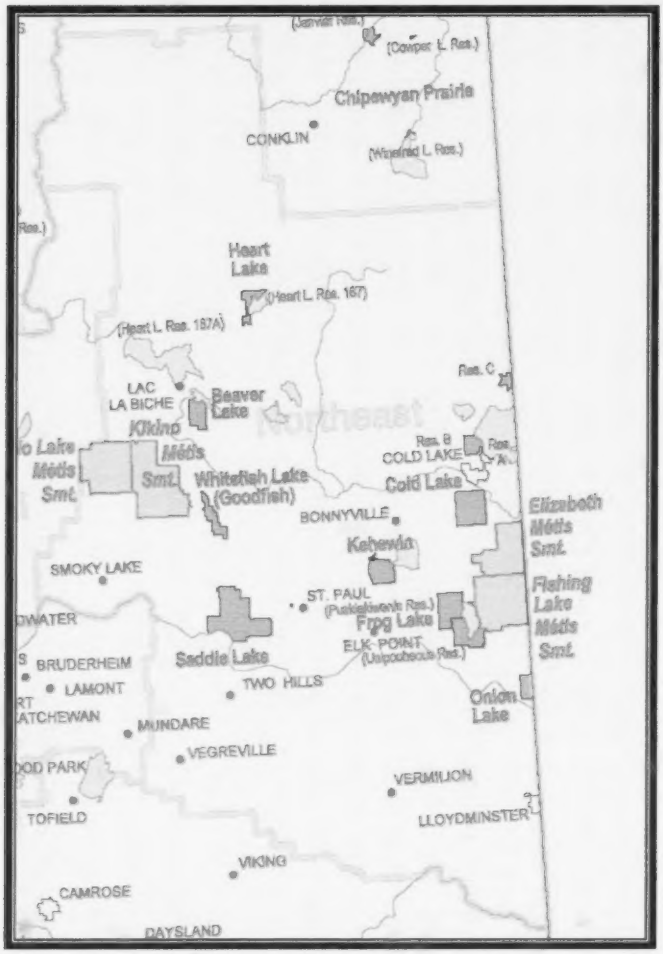


Registered Indian Population, by Type of Residence and Group: Northeast Region

Group	Residence Type	2010	2009	2008	20007	2006	2005	1-Year Change	5-Year Change
Registered Indian	**Total**	**19,904**	**19,406**	**18,984**	**18,663**	**18,245**	**17,859**	**2.6%**	**11.5%**
	Reserve & Crown Land	12,275	12,025	11,867	11,765	11,651	11,540	2.1%	6.4%
	Off Reserve	7,629	7,381	7,117	6,898	6,594	6,319	3.4%	20.7%
Beaver Lake	**Total**	959	937	919	914	893	864	2.3%	11.0%
	Reserve & Crown Land	376	367	363	359	351	340	2.5%	10.6%
	Off Reserve	583	570	556	555	542	524	2.3%	11.3%
Cold Lake	**Total**	2,465	2,419	2,365	2,329	2,286	2,244	1.9%	9.8%
	Reserve & Crown Land	1,284	1,262	1,243	1,234	1,221	1,215	1.7%	5.7%
	Off Reserve	1,181	1,157	1,122	1,095	1,065	1,029	2.1%	14.8%
Frog Lake	**Total**	2,750	2,642	2,563	2,501	2,418	2,363	4.1%	16.4%
	Reserve & Crown Land	1,788	1,724	1,686	1,659	1,628	1,602	3.7%	11.6%
	Off Reserve	962	918	877	842	790	761	4.8%	26.4%
Heart Lake	**Total**	307	304	297	293	291	283	1.0%	8.5%
	Reserve & Crown Land	197	194	194	194	192	188	1.5%	4.8%
	Off Reserve	110	110	103	99	99	95	0.0%	15.8%
Kehewin	**Total**	1,887	1,843	1,799	1,766	1,720	1,681	2.4%	12.3%
	Reserve & Crown Land	1,117	1,101	1,075	1,054	1,027	1,004	1.5%	11.3%
	Off Reserve	770	742	724	712	693	677	3.8%	13.7%
Saddle Lake	**Total**	9,300	9,112	8,918	8,770	8,577	8,404	2.1%	10.7%
	Reserve & Crown Land	6,097	6,000	5,931	5,894	5,865	5,860	1.6%	4.0%
	Off Reserve	3,203	3,112	2,987	2,876	2,712	2,544	2.9%	25.9%
Whitefish Lake*	**Total**	2,236	2,149	2,123	2,090	2,060	2,020	4.0%	10.7%
	Reserve & Crown Land	1,416	1,377	1,375	1,371	1,367	1,331	2.8%	6.4%
	Off Reserve	820	772	748	719	693	689	6.2%	19.0%
Métis Settlements	**Total**		**4,091**						
Buffalo Lake			1,206						
Elizabeth			820						
Fishing Lake			952						
Kikino			1,113						

Source: Indian and Northern Affairs Canada, Alberta Municipal Affairs, Treaties Entered into Prince Edward Island

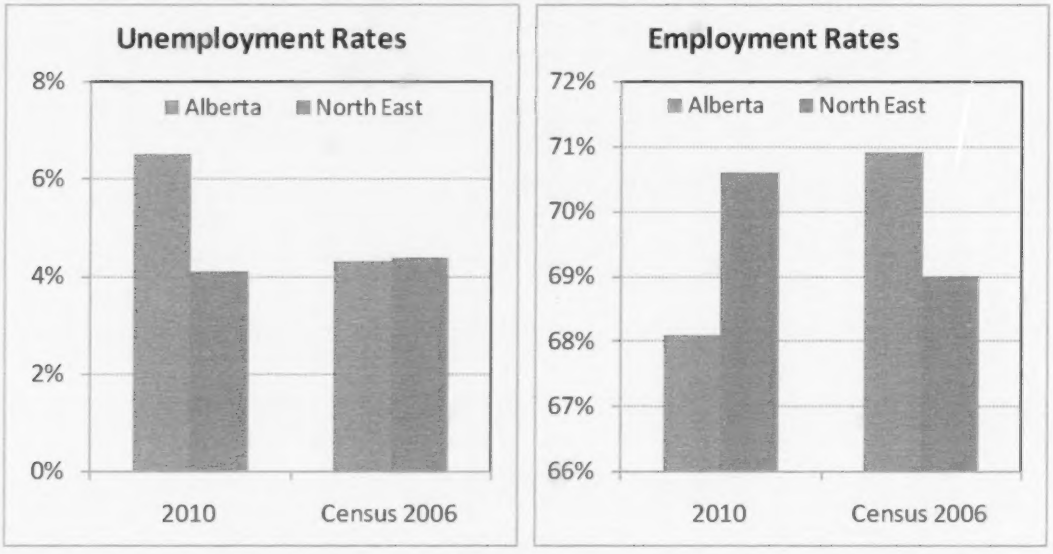
[1] **Registered (Status) or Treaty Indians:** According to Statistics Canada Registered Indians (also referred to as "status Indians") refer to those persons registered under the *Indian Act* while Treaty Indian refer to people who are registered under the *Indian Act* and who belong to an Indian Band or First Nation that signed a treaty with the Crown. Registered/Treaty Indians may be classified as on or off reserve indicating their place of residence.


(Janvier Res.)
(Cowper L. Res.)
Chipewyan Prairie
CONKLIN
(Wineland L. Res.)
Res.)
Heart
Lake
(Heart L. Res. 167)
(Heart L. Res. 167A)
Res. C
LAC
LA BICHE
Beaver
Lake
Kikino
Métis
Smt.
Whitefish Lake
(Goodfish)
Res. B
COLD LAKE
Res.
A
Cold Lake
BONNYVILLE
Elizabeth
Métis
Smt.
Kehewin
SMOKY LAKE
ST. PAUL
Frog Lake
ELK POINT
(Unipouheous Res.)
Fishing
Lake
Métis
Smt.
Saddle Lake
BRUDERHEIM
LAMONT
TWO HILLS
Onion
Lake
MUNDARE
VEGREVILLE
VERMILION
TOFIELD
LLOYDMINSTER
VIKING
CAMROSE
DAYSLAND

Labour Force Characteristics

According to Statistics Canada's Labour Force Survey (LFS), the North East region's employment rate[7] for the working age population of 15 years and older was 70.6% in 2010 and the participation rate[8] was 73.6%. By comparison, Alberta's employment and participation rates were lower at 68.1% and 72.9%, respectively.

The region's unemployment rate fell to 4.1% in 2010, down from 4.6% in 2009. This rate is much lower than the provincial average of 6.5% for 2010 and was the lowest regional rate in Alberta.



In 2010, the number of people employed in Alberta declined by 0.4% or by 8,600, after a 1.4% decline in 2009, due to the global recession. Employment in the North East region increased by an estimated 400 jobs in 2010. In 2010, the North East Region made up 2.9% of Alberta's working age population (15+ years), down from a 3.3% share in 2006. Between 2006 and 2010, the region's working age population (15+) declined by an estimated 3,600, while employment fell by 1,400.

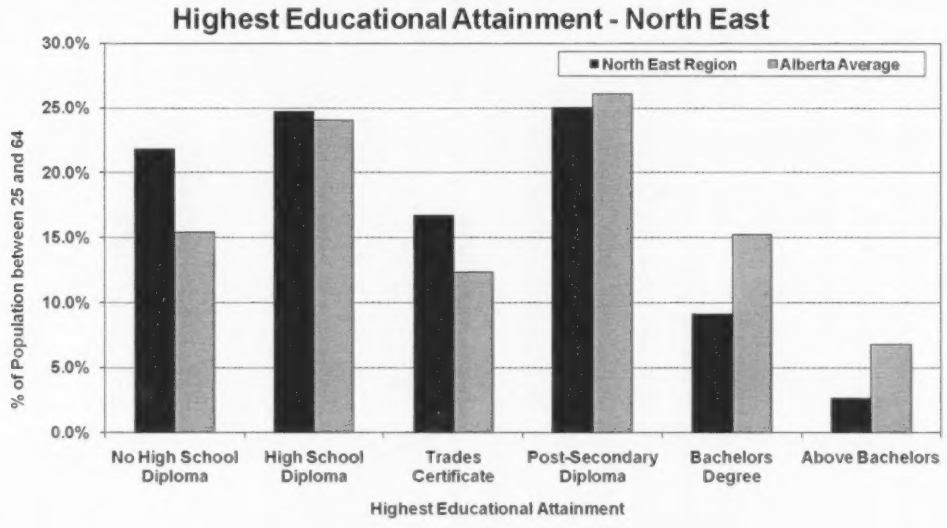
[7] The employment rate measures the proportion of the adult population that is employed. Employment Rate = (Employed / Population 15+)*100. High labour utilization traditionally accompanies strong economic activity.

[8] The participation rate measures the proportion of the adult population that is in the labour force. Participation Rate = (Labour Force / Population 15+)*100. High labour participation is an effective indicator of the level of engagement among the working age population and traditionally accompanies strong economic activity.

Labour Force Characteristics – North East Region					
	2006	2007	2008	2009	2010
Population: 15 years and older (Thousands)	89.6	89.7	90.2	85.4	86.0
Labour Force: 15 years and older (Thousands)	64.8	66.6	69.3	63.1	63.3
Employment: 15 years and older (Thousands)	62.1	64.6	67.3	60.3	60.7
Unemployment: 15 years and older (Thousands)	2.7	2.0	2.0	2.9	2.6
Participation Rate: 15 years and older (%)	72.3	74.2	76.8	73.9	73.6
Unemployment Rate: 15 years and older (%)	4.2	3.0	2.9	4.6	4.1
Employment Rate: 15 years and older (%)	69.3	72.0	74.6	70.6	70.6
Source: Statistics Canada, Labour Force Survey					
Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions, due to sample size problems and there not being any population control totals for non-standard geographies such as this region.					

Between census years 2001 and 2006, the number of people employed in Alberta grew by 14.7% or by 239,800. Over the same period, employment in the North East region grew by an estimated 4,500 or 9.0%. In 2006, the North East Region made up 3.0% of Alberta's working age population (15+ years), and the region's increase in employment between 2001 and 2006 accounted for 1.9% of all new jobs created in Alberta over that period.

According to the 2006 census, the level of educational attainment is lower for this region than for Alberta. For the working aged population of between 25 and 64 years, 36.8% had a post-secondary degree or diploma, compared with 48.1% for all of Alberta. However, the region does have a larger share holding a trades certificate: 16.7% in the region vs. 12.4% in Alberta. 21.8% of the region's working age population did not finish high school, higher than the Alberta average of 15.4%.

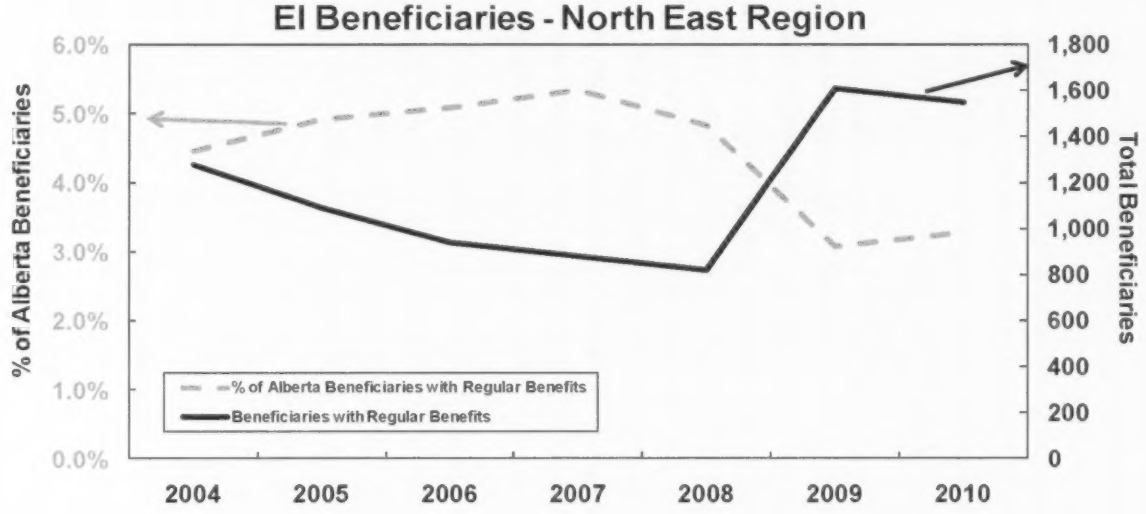


Employment Insurance Beneficiaries

In 2010, 1,550 people received regular Employment Insurance (EI) benefits[9] in the North East region, a 4% decline from the 2009 number of 1,610[10]. Over the same period, the number of EI recipients fell by 9% in Alberta. As a result, the region's share of Alberta EI recipients rose to 3.3%. Between February 2010 and February 2011, the number of regular beneficiaries fell by an estimated 18% in the region.

The total number of income beneficiaries[11] with both regular and special benefits, such as for sickness or parental leave, fell by 3% between 2009 and 2010.

Note: although this measure provides a useful gauge of unemployment it is an imperfect measure, as it excludes self-employed workers and individuals who were unemployed for more than 12 months. At the Canadian level, the EI beneficiaries-to-unemployed ratio was fairly stable over time prior to the recession at between 40% and 45%. In Alberta, the ratio fell gradually during the economic boom years from more than 40% in 1996 to less than 25% in 2007 and the first nine months of 2008. The ratio climbed to more than 40% in 2009 and was 36% in 2010.



EI Recipients: North East								
	2005	2006	2007	2008	2009	2010	1-Year Change	5-Year Change
Total Income Beneficiaries	1,970	1,840	1,890	1,780	2,670	2,590	-3%	31%
# of EI Beneficiaries with Regular Benefits	1,090	940	880	820	1,610	1,550	-4%	42%
% of Alberta Beneficiaries with Reg. Benefits	4.9%	5.1%	5.3%	4.8%	3.1%	3.3%	0.2%	-1.6%
Source: Statistics Canada, Human Resources and Skills Development Canada								

[9] The number of beneficiaries receiving regular benefits excludes claimants receiving training, job creation and self-employment benefits as well as other employment and support measures benefits.

[10] Economic Action Plan provides beneficiaries with five extra weeks of regular EI benefits in 2009 and 2010.

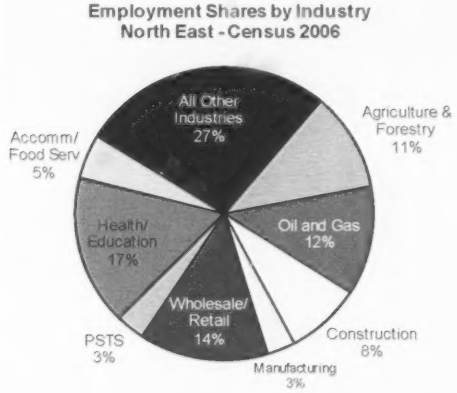
[11] The number of beneficiaries receiving total income benefits includes both the beneficiaries receiving regular benefits and those receiving special benefits, such as for training, job creation, sickness, parental.

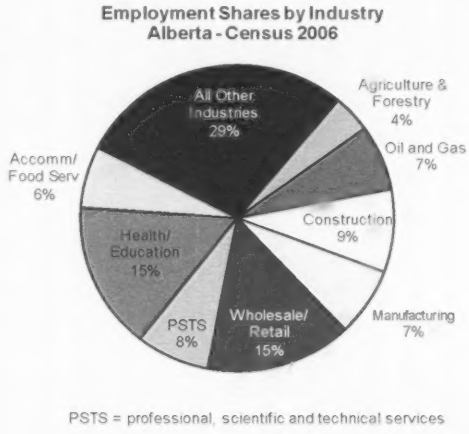
Employment by Industry

In 2006, according to Statistics Canada's census data, the services-producing sector in the North East Region accounted for about 65% of the total number employed. By comparison, the service sector accounted for 72% of Alberta's employment.

The Mining and Oil and Gas industry had the largest number of individuals employed. This industry accounted for 12% of the region's employment, compared with the industry's 7% share at the provincial level. Although the region has a sizeable natural gas sub-sector, the Mining and Oil and Gas industry is dominated by in-situ oil sands production. The region's next largest industries in 2006 were the Retail Trade sector and the Agriculture and Forestry sector, each accounting for about 11% of regional employment.

Between 2001 and 2006, the Mining and Oil and Gas industry had the largest employment gain (up 2,035) because of rising oil sands output. In the region's second largest industry, Agriculture and Forestry, employment decreased by nearly 1,000.





PSTS = professional, scientific and technical services

Although estimates from the Labour Force Survey are not very reliable[12] for the small regions, it is clear from the survey's results that the Mining and Oil and Gas and Professional, Scientific and Technical Services sectors have increased their employment levels between 2006 and 2010, while agricultural employment has declined.

[12] Due to sample size problems and there not being any population control totals for non-standard geographies

Employment by Industry - North East Region					
	2006	2007	2008	2009	2010
All Industries (Thousands) - Total	**62.1**	**64.6**	**67.3**	**60.3**	**60.7**
Goods-Producing Sector	**21.4**	**22.2**	**23.8**	**21.0**	**20.5**
Agriculture	4.8	3.7	4.3	3.2	2.3
Forestry, Fishing, Mining, Oil & Gas	8.7	9.4	10.7	9.6	10.3
Construction	5.2	6.1	6.2	6.2	5.3
Manufacturing	1.8	2.1	1.9	1.6	1.8
Services-Producing Sector	**40.7**	**42.4**	**43.5**	**39.3**	**40.2**
Wholesale Trade	2.2	2.2	3.0	1.9	1.7
Retail Trade	7.3	7.3	7.6	7.6	7.2
Transportation & Warehousing	4.3	4.1	3.1	3.2	2.8
Finance, Insurance, Real Estate & Leasing	2.3	2.8	3.3	3.0	3.0
Professional, Scientific & Technical Services	1.8	2.0	2.5	2.0	2.9
Educational Services	5.3	5.4	5.9	5.7	5.5
Health Care & Social Assistance	6.1	6.4	6.8	5.3	6.2
Accommodation & Food Services	2.4	2.4	2.3	2.5	3.1
Other Services	3.6	3.7	3.6	3.4	2.6
Public Administration	3.3	2.9	2.6	2.6	2.0

Source: Statistics Canada, Labour Force Survey

Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions, due to sample size problems and there not being any population control totals for non-standard geographies such as this region.

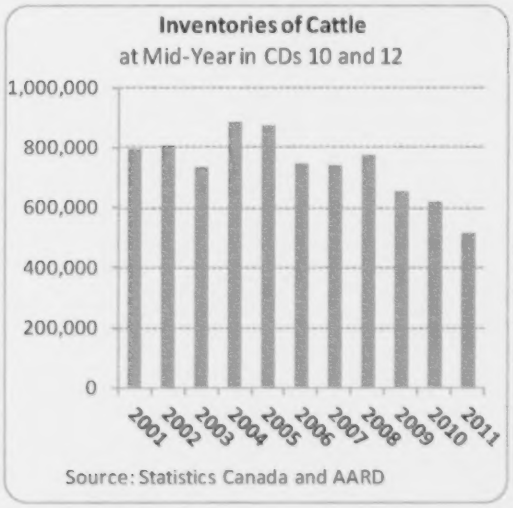
Agriculture

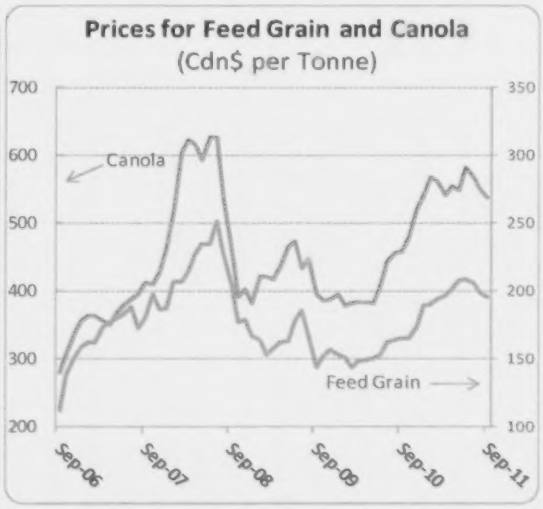
The North East region had total farm cash receipts of $683 million in Census year 2006, accounting for 6.9% of Alberta's farm receipts. In that year, there were nearly 5,000 farms in the region with a total acreage of 5.1 million acres. Average farm size was 1,040 acres, comparable to the Alberta average of 1,055 acres per farm.

The region accounted for 9.1% of Alberta's total value of on-farm livestock and poultry with a total market value of $453 million in 2006. The total number of cattle and calves was 629,000, most of them beef cattle. The North East's share of Alberta's total number of cattle and calves was 9.9%, of hogs 3.5%, and of bison 14.6%.

Cropland acreage totaled 2.4 million acres or 10% of Alberta's cropland. The region is one of the province's largest producers of canola, accounting for 12.8% of Alberta's canola acreage. Its major crops also include spring wheat, barley, oats, alfalfa, hay, field peas and mixed grains.

Very few current agricultural indicators are available for these special geographies. However, livestock estimates are available for Census Divisions 10 (CD10) and 12 (CD12), which contain most of the North East region[1]. Between mid-year 2006 and mid-year 2011, the number of cattle and calves in CDs 10 and 12 declined by 31%.





In crop year 2009-10 (year ending August 31, 2010), grain and oilseed deliveries at elevators in the North East region totaled about 750,000 tonnes[2], down 12% from 2008-09. Wheat (excluding durum) accounted for 57% of the total tonnage, canola for 27% and barley for 11%.

Prices for canola and feed grain had more than doubled between early 2006 and the summer of 2008, but fell sharply by about 40% through early 2009. Crop prices rebounded strongly between spring 2010 and summer 2011, but recent global uncertainties have led to modest price declines during the past few months. Prices for red spring wheat fell sharply in August and September, but recovered some of their losses in October 2011. The recent weakening of the Canadian dollar against the US dollar will benefit Alberta crop and cattle growers.

In 2011, Alberta crop production was significantly higher than in the previous year, with record harvests of canola (4.8 million tonnes) and spring wheat (7.6 million tonnes). Crop conditions in the North East region were also better than normal that year.

---

[1] A map of Agricultural Census Divisions can be found in: http://www.statcan.gc.ca/ca-ra2006/m/car-rar-eng.pdf

[2] Deliveries at grain elevators are not representative of production as not all grain is shipped to local elevators

Energy

Oil and gas production in the Northeast region has diverged over the last five years, with gas production declining by 43.6% between 2004 and 2009, and oil production rising by 27.9% over the same period. Crude oil production has declined by 11.8% over the last 5 years, while bitumen production has increased by 33.2%. Between 2008 and 2009, gas production declined by 13.0% while oil production rose by 4.4%.

Northeast's share of overall Alberta gas production was 3.4% in 2009, making it the 6th largest producer out of 14 regions. Average annual gas prices dropped by 53.3% in 2009 to $3.65 per gigajoule. So far in 2010, gas prices have averaged $3.73, a slight increase from 2009, and low by historical standards.

The Northeast region is the 7th largest conventional oil producing region in Alberta and the 2nd largest overall oil producer (combining conventional and oil-sands). The region's share of Alberta's conventional oil production was 7.4% in 2009, but its share of total crude oil output was 21.7%. Oil prices dropped by 38.0% to US$61.80 per barrel in 2009. However, so far in 2010 oil prices have averaged $78.96, an increase of 27.8%.

Over the last five years, the number of spudded wells[15] in the region has dropped 16.2%. Between 2008 and 2009, the spud count dropped by 32.6% to 1308 wells, accounting for 18.0% of the Alberta total. Part of the decline can be attributed to a weak global economy and soft energy prices. However, in the first 10 months of 2010, the number of wells drilled in Alberta rose 44% from the same period of 2009, largely because of a more than doubling in the number of conventional oil wells. The Petroleum Services Association of Canada is forecasting an increase of 5% in 2011 over 2010 for Alberta drilling. These drilling estimates and forecasts should provide some optimism for oil producers in Northeast.

Economic Indicators- Northeast Region					
Oil and Gas Statistics					
	2009	**2008**	**2004**	**% Change 1 Year**	**% Change 5 Years**
Crude oil production (millions of cubic metres)	2.0	2.0	2.2	-3.61%	-11.81%
Bitumen production (millions of cubic metres)	22.4	21.3	16.8	5.21%	33.22%
Natural gas production (billions of cubic metres)	4.8	5.5	8.4	-13.02%	-43.62%
Number of wells spudded	1308	1941	1560	-32.61%	-16.15%
Source: Alberta Energy					

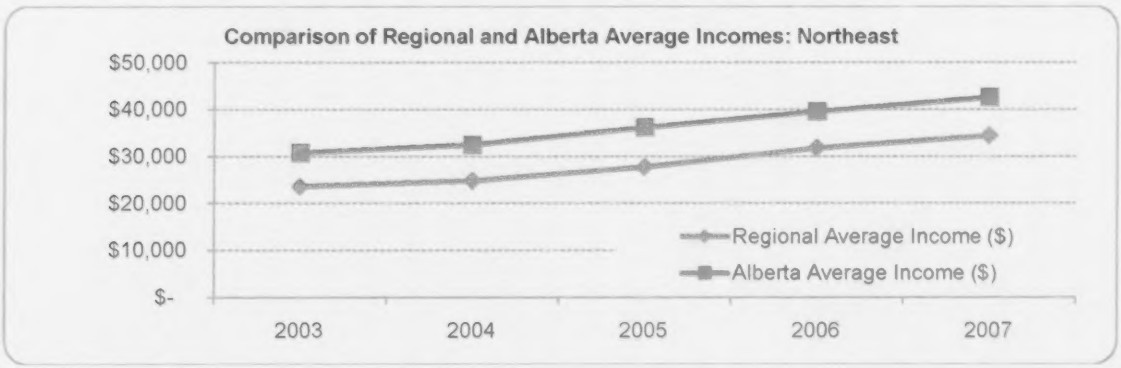
The region's total gas potential represents 4.4% of Alberta's overall reserves, and oil potential is 3.9% of Alberta's conventional reserves.

[15] A spud is the very beginning of a drilling operation for a well

Income, Taxfiler

In 2007, the average individual income in the Northeast Region was $34,400, an 8.3% increase from 2006, but 19.2% less than the provincial average of $42,570 in 2007. In the same year, average couple income[20] in the Northeast Region was $101,675, a 10.4% increase from the year before, but 19% less than the provincial average of $125,485 in 2007.

The percentage of taxfilers that reported an individual gross income over $100,000 was 6.2%, while 37.1% of taxfilers identified as couples reported an income of over $100,000.



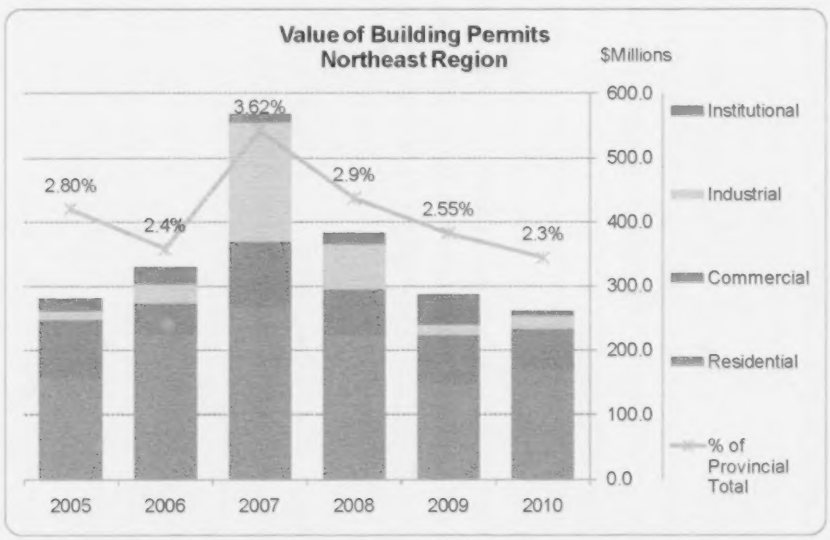
Economic Indicators: Northeast Region						
	Single Taxfilers			Couple Taxfilers		
	2007	2006	2003	2007	2006	2003
Average Income ($)						
Northeast	$34,400	$31,760	$23,625	$101,675	$92,070	$67,820
% Change 1 Year	8.3%			10.4%		
% Change 4 Year	45.6%			49.9%		
Alberta	$42,570	$39,560	$30,770	$125,485	$115,965	$87,775
% Change 1 Year	7.6%			8.2%		
% Change 4 Year	38.3%			43.0%		
Income Range						
0 or Negative	23.1%	23.4%	24.3%	0.5%	0.7%	0.9%
$1-$20,000	26.6%	28.0%	33.1%	6.4%	7.0%	10.3%
$20,000-$40,000	18.3%	18.6%	19.7%	14.8%	16.7%	22.3%
$40,000-$60,000	12.6%	12.4%	11.9%	12.7%	14.2%	18.1%
$60,000-$80,000	8.8%	8.4%	6.2%	14.3%	15.4%	17.2%
$80,000-$100,000	4.5%	4.1%	2.5%	14.1%	14.1%	12.8%
Over $100,000	6.2%	5.0%	2.3%	37.1%	31.9%	18.5%
Source: Alberta Finance and Enterprise						

[20] Couples are defined as married or common-law

Investment

In 2010, the total building permit value for the Northeast region stood at a six-year low of $262.2 million, making up 2.3% of the provincial total. In 2010, the total building permit value for the Northeast region decreased by 9% from 2009, and was 7% lower than the 2005 level. The decrease between 2009 and 2010 can be attributed to a large decrease in institutional permits of 82% to $8.2 million and a 16% drop in commercial permits to $64.4 million. Over the same period, residential permits increased by 14% to $169.2 million, while industrial permits increased by 29%. Between 2005 and 2010, residential permits increased by 8%.

The total number of dwelling units for which building permits were taken out in the Northeast region in 2010 was 658. This was a 4% increase from the previous year, but a 38% decline from 2005 levels. Over that five-year period, the number of multiple family dwelling units fell by 69% to 85 units in 2010. Over the same period, the number of single dwellings decreased by 27% to 573 units.



In 2010, the number of urban housing starts[21] totaled 161 in the Lloydminster, Alberta Census Agglomeration (CA), an increase of 124% from 2009's 72 starts. This increase was the result of a large 42% jump in the number of multiple-family units between 2009 and 2010. The Cold Lake CA saw a moderate jump in housing starts of 3% between 2009 and 2010 to 100, and the Bonnyville Municipal District had a 28% rise to 129 starts.

[21] Housing start information is gathered by Canada Mortgage and Housing Commission field offices; building permit estimates are gathered by Statistics Canada from municipalities. A building permit generally precedes the actual start.

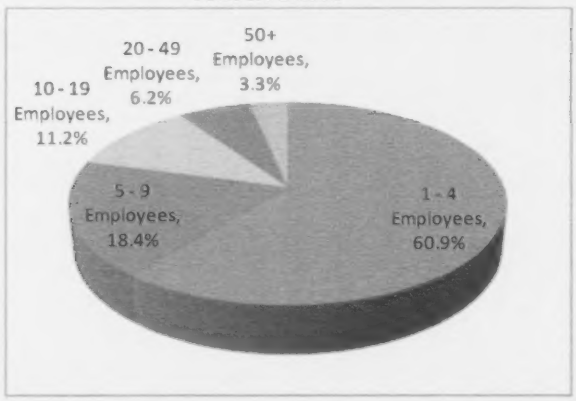
Economic Indicators: Northeast Region								
Building Permits: Value ($ Millions)								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**% Change 1 Year**	**% Change 5 Years**
Total	262.2	287.7	382.8	568.8	331.0	280.8	-8.9%	-6.6%
% of Provincial Total	2.3%	2.6%	2.9%	3.6%	2.4%	2.8%	-10.0%	-18.0%
Commercial	64.4	77.0	71.6	99.9	47.9	90.8	-16.3%	-29.0%
Industrial	20.4	15.9	69.0	186.7	29.1	14.5	28.6%	41.1%
Institutional	8.2	46.4	18.1	13.5	28.9	18.3	-82.4%	-55.5%
Residential	169.2	148.4	224.1	268.6	225.2	157.2	14.0%	7.6%
Building Permits: Number of Dwelling Units								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**		
Total	658	634	1265	1,366	1,348	1,058	3.8%	-37.8%
% of Provincial Total	2.5%	2.9%	4.5%	2.9%	2.7%	2.5%	-12.1%	2.2%
Single Dwellings	573	533	675	1,002	907	782	7.5%	-26.7%
Multiple Use Dwellings	85	101	590	364	441	276	-15.8%	-69.2%
Source: Statistics Canada. Compilations by Alberta Finance and Enterprise.								

Establishments with Employees

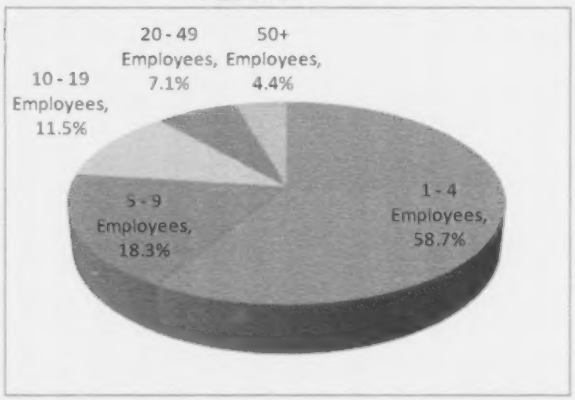
In 2010, the North East Region had 5,227 establishments with employees, making up 3.6% of all establishments with employees in Alberta. Of these establishments, 5,053 or 96.7% were small companies with between 1 and 49 employees. Micro-businesses with fewer than five employees have a 60.9% share of the region's total number of companies and large companies with 50 or more employees have a 3.3% share, compared to the 4.4% Alberta average.

Number of Establishments by Employee Size in 2010: North East Region and Alberta

North East



Alberta



Between 2005 and 2010, there was an increase of 5.2% (or 59 companies) in the total number of businesses in the North East Region and a 6.0% increase (or 84 companies) in the number of small businesses. By comparison, at the provincial level, the total number of businesses increased by 2.3% and small companies experienced an increase of 3.4% over the same period.

In the North East Region, nearly 70% of companies with employees were involved in Service Industries as of 2010. The total number of companies in service industries increased by 4.1% over the past five years, while the goods industry had a 7.9% increase over the same period.

Utilities and Construction is the largest industry in the region, making up 12.6% of establishments with employees in the North East Region. By comparison, 13.8% of establishments with employees are engaged in the Utilities and Construction industry at the provincial level. Construction companies account for about 98% of the Utilities and Construction industry in this region. Other large industries are Retail Trade, Other Services (mainly repair and maintenance), and Professional, Scientific and Technical Services.

Over the past five years, the Health Care and Social Assistance industry experienced the highest growth in the number of businesses, up 22.8% between 2005 and 2010. Other industries with more than 10% growth over the past five years include: Utilities and Construction (up 15.8%); Information, Culture, Recreation and Arts; Mining, Oil and Gas Extraction; Education; and Professional, Scientific and Technical Services. The Wholesale

Trade; and Finance, Insurance, Real Estate and Leasing had sizeable declines in the number of establishments over the same period.

Numbers of Establishments by Industry North East Region								
All Companies (1+ Employees)					Small Companies (1-49 Employees)			
	2005	2009	2010	5-Year % Change	2005	2009	2010	5-Year % Change
Total, All Industries	**4,968**	**5,299**	**5,227**	**5.2%**	**4,769**	**5,120**	**5,053**	**6.0%**
Total, Goods Industries	**1,476**	**1,614**	**1,593**	**7.9%**	**1,416**	**1,559**	**1,541**	**8.8%**
Agriculture & Forestry	419	392	400	-4.5%	416	389	397	-4.6%
Mining, Oil & Gas Extraction	380	444	428	12.6%	354	418	402	13.6%
Utilities & Construction	568	660	658	15.8%	544	640	640	17.6%
Manufacturing	109	118	107	-1.8%	102	112	102	0.0%
Total, Service Industries	**3,492**	**3,685**	**3,634**	**4.1%**	**3,353**	**3,561**	**3,512**	**4.7%**
Wholesale Trade	207	196	181	-12.6%	202	192	178	-11.9%
Retail Trade	605	612	618	2.1%	575	579	587	2.1%
Transportation & Warehousing	457	471	466	2.0%	448	466	461	2.9%
Information, Culture, Recreation & Arts	92	107	104	13.0%	92	106	103	12.0%
Finance, Insurance, Real Estate & Leasing	276	261	256	-7.2%	268	258	253	-5.6%
Professional, Scientific & Technical Services	487	556	545	11.9%	482	553	541	12.2%
Administrative & Waste Management Services & Management of Companies	246	257	265	7.7%	232	252	261	12.5%
Educational Services	48	52	54	12.5%	40	43	45	12.5%
Health Care & Social Assistance	254	305	312	22.8%	231	281	286	23.8%
Accommodation & Food Services	239	244	233	-2.5%	224	231	221	-1.3%
Other Services Excluding Private Household Services*	539	581	558	3.5%	530	574	551	4.0%
Public Administration	42	43	42	0.0%	29	26	25	-13.8%
Source: Canadian Business Patterns, Statistics Canada								

* A new subsector, Private Households (hiring cooks, nannies, etc.) was created in 2006, thereby inflating the 2006 to 2010 estimates for the sector and the region as compared to previous years. Hence, to make the data comparable, the values shown for the "Other Services Excluding Private Household" industry has been adjusted and does not include the Private Households sector data.

Inventory of Major Projects

As of March 31, 2011 there were 37 projects proposed, planned, under construction or recently completed in the Northeast region. More than one-third of the projects are in the Infrastructure sector.

The total value for the projects in the Northeast region was $6.0 billion, as of March 31, 2011. The majority (86%) of the projects' value is attributable to Oil Sands projects.

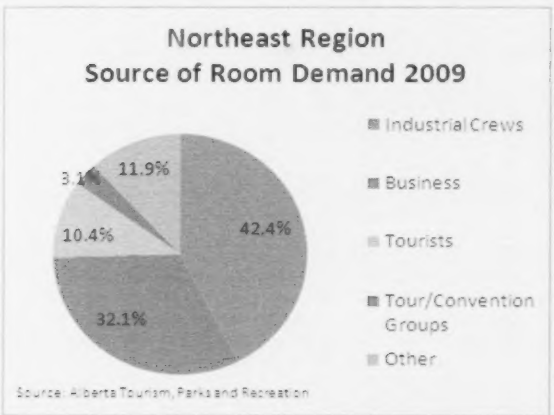
The Northeast region accounts for 3.3% of the value of all major construction projects in Alberta. At the end of March 2011 there were three projects in the region on hold, with a total value of $555 million.

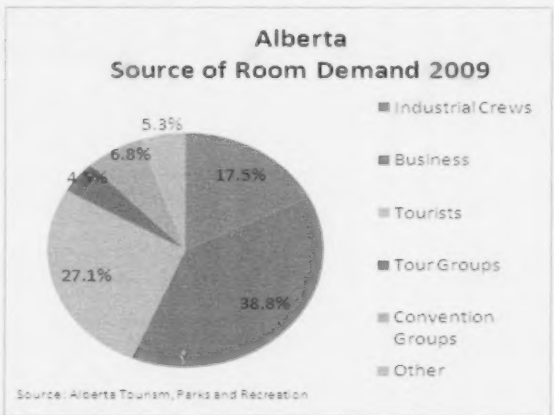
Economic Indicators: Northeast Region				
Major Construction Projects, as of March 31				
	Number of Projects		**Value ($millions)**	
Industry Sector	**2011**	**2010**	**2011**	**2010**
Biofuels	3	2	$321.6	$310.0
Commercial/Retail	3	1	$36.4	$10.3
Infrastructure	14	15	$249.2	$368.0
Institutional	4	9	$83.4	$153.6
Manufacturing	1	0	$5.0	$0.0
Oil & Gas	1	0	$37.0	$0.0
Oil Sands	4	3	$5,210.0	$3,210.0
Pipelines	3	1	$56.2	$200.0
Residential	2	2	$10.5	$11.2
Tourism/Recreation	2	4	$35.3	$89.8
Total	**37**	**37**	**$6,044.6**	**$4,352.9**
% of Provincial Total	**4.4%**	**4.0%**	**3.3%**	**1.9%**
Source: Alberta Finance and Enterprise, Inventory of Major Alberta Projects				

Note: 2009 and 2010 cannot be compared because some projects are carried over several years and there is only one cost available for the entire project.

Accommodation & Hospitality

In 2009 the Northeast Region had 45 accommodation properties with a total of 2,841 rooms; thus making up a 4.5% share of available rooms in Alberta. The greatest demand for rooms came from industrial crews, who made up 42.4% of room demand, followed by business travelers at 32.1%. The average occupancy rate in the region was 53.4%, compared to the provincial average of 58.6%. The average room rate was $93.41, 16.7% lower than the provincial average of $112.19.





Economic Indicators: Northeast Region		
Accommodation Statistics	**2008**	**2009**
Northeast		
Number of Properties	42	45
Supply of Rooms	2,631	2,841
Share of Alberta Rooms	4.2%	4.5%
Average Number of Rooms/Property	62.6	63.1
Occupancy Rate	68.2%	53.4%
Average Room Rate	$97.77	$93.41
Alberta		
Average Number of Rooms/Property	82.5	82.0
Occupancy Rate	68.2%	58.6%
Average Room Rate	$113.54	$112.19
Source: Alberta Tourism, Parks and Recreation		

Alberta Treasury Board and Enterprise
4th Floor, Commerce Place
10155 - 102 Street
Edmonton, AB T5J 4L6

Telephone: 780.427.6787
Fax: 780.422.0061

Website:www.albertacanada.com

© 2012 Government of Alberta

ISSN: 1718.2824 (pdf)

Printed in Canada

You can access the Regional Economic Indicators reports and the following related department publications on the Internet at http://albertacanada.com/about-alberta/statistics-and-publications.html :

- Alberta Oil Sands Industry Quarterly Update
- Facts on Alberta
- Highlights of the Alberta Economy
- Inventory of Major Alberta Projects
- Monthly Economic Review
- Alberta Natural Gas Industry Quarterly Update